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| <b>Finance and Administration Cabinet<br/>STANDARD PROCEDURE</b> |  | <b>ISSUED BY:</b> Office of Administrative Services;<br>Division of Human Resources |  |
| <b>PROCEDURE # 2.2.18</b>  |  | <b>SUBJECT:</b> Compensatory Leave Balance Monitoring                               |  |
| <b>EFFECTIVE DATE:</b> 10/28/11                                  |  |   |  |
| <b>CONTACT:</b> Division of Human<br>Resources, Payroll Branch   |  | <b>LOCATION:</b> Capitol Annex Bldg, Room 188<br><b>PHONE:</b> 502-564-8066         |  |

## STATEMENT OF AUTHORITY

1. The Finance and Administration Cabinet's Standard Procedures Manual establishes standard mandatory internal procedures cabinet-wide. These procedures are established in accordance with the Secretary's statutory authority under KRS 42.014 and KRS 12.270 to establish the internal organization and functions of the Cabinet as necessary to perform the duties effectively.
2. The Standard Procedures Manual may only be revised in accordance with the process outlined in Standard Procedure #1.1 entitled: "Finance Standard Procedures and Manual".

## I. PURPOSE

Pursuant to regulatory authority, the purpose of this procedure is to regulate and track compensatory time balances of non-exempt classified employees (as defined by [KRS Chapter 18A](#)), and to allow supervisors and managers to manage the allocation of compensatory time.

## II. REGULATORY STATEMENT OF AUTHORITY

[101 KAR 2:102 \(5\)1\(b\)](#) An employee who is directed to work, or who requests and is authorized to work, in excess of the prescribed hours of duty shall be granted compensatory leave and overtime subject to the provisions of the Fair Labor Standards Act, the Kentucky Revised Statutes and this administrative regulation.

[101 KAR 2:102 3\(2\)\(a\)](#) An Appointing Authority may require an employee who has accrued at least 100 hours compensatory leave to use compensatory leave before annual leave and shall otherwise allow the use of compensatory leave if it will not unduly disrupt operations of the agency.

[101 KAR 2:102 \(5\)\(2\)\(b\)](#) an Appointing Authority may require an employee who has accrued 200 hours of compensatory leave to take off work using compensatory leave in an amount sufficient to reduce the compensatory balance below 200 hours.

## III. PROCEDURE

### A. Monitoring Compensatory Balances

1. The Division of Human Resources shall periodically review the compensatory time balance status of all non-exempt classified Finance Cabinet employees.

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2. If an employee has exceeded 200 hours of accrued compensatory time, the Director of Human Resources may issue a Compensatory Leave Reduction Notice ([Form SP7.202181](#)) to the employee's supervisor or manager.

#### **B. Documentation of Necessary Leave Time**

- a. Within 15 calendar days of receiving the notice, the supervisor and employee shall create and document a scheduled leave plan of action on Section B of the Compensatory Leave Reduction Notice. This process shall be documented electronically to allow the document to auto-populate.
- b. The minimum number of requested compensatory leave hours shall be scheduled within 45 calendar days of the date of notice.
- c. Once the minimum number of hours has been scheduled within the 45 day requirement, the signature lines will auto-populate to allow the form to be signed.
- d. The completed, documented Notice shall be printed, acknowledged, signed and dated by the employee, the supervisor, and the Commissioner/Agency Head
- e. The original, signed form shall be submitted to the Director of Human Resources. A copy of the Notice shall also be retained in the supervisor's employee file.

#### **C. Supervisor Responsibilities**

1. Supervisors shall monitor their employee's compensatory leave balances regularly. It is the supervisor's responsibility to ensure that his or her employee shall not exceed 200 hours of compensatory leave time.
  - a. If the employee's balance exceeds 200 hours, the employee and supervisor shall ensure the employee's leave balance is reduced to less than 200 hours within 30 calendar days.
  - b. This action does not have to be initiated by the Division of Human Resources with a Compensatory Leave Reduction Notice; however, if desired, the supervisor may use that form to document scheduled leave time.
2. Requests to work overtime shall be submitted to, and approved by, the employee's supervisor prior to the employee working the requested overtime. The method used for this request submission is at the discretion of the employee's supervisor.

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- a. Supervisors shall not approve requested overtime work to employees with a compensatory leave balance exceeding 200 hours.
  - b. Supervisors shall not assign overtime work to employees with a compensatory leave balance exceeding 200 hours.
3. Supervisors shall notify the Director of Human Resources immediately if an employee will exceed a 240 hour balance of compensatory leave time.

#### **D. Special Circumstances**

Should a supervisor require an employee's need to work overtime, and by doing so causes the employee's compensatory leave balance to exceed 200 hours, the following steps shall be followed:

1. The supervisor shall complete a Waiver Request Form ([Form SP7.202182](#)) in its entirety, obtain the applicable signatures, and submit it to the Division of Human Resources.
2. The Division of Human Resources shall evaluate the special circumstance and either approve or deny the waiver request, then notify the requestor of approval status.
3. The Division of Human Resources shall retain the Waiver Request form in the employee's personnel file.

#### **E. Due Diligence**

1. The Division of Human Resources may generate a report to monitor the compensatory leave balances of Finance Cabinet employees.
2. If the report shows an employee has a compensatory leave balance exceeding 200 hours, Human Resources shall verify whether a waiver has been requested and approved.
  - a. If a waiver has been approved and is currently valid, no action is necessary.
  - b. If a waiver has been not been approved or is not currently valid, Human Resources shall reissue a Compensatory Reduction Leave Notice to the employee's supervisor, in accordance with Section III, A of this procedure.

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#### IV. DISCIPLINARY ACTION

Disciplinary Action, up to and including dismissal, may be enforced if:

- A. an employee fails to request prior approval before working and accruing overtime.
- B. a supervisor fails to implement a Compensatory Leave Reduction plan as requested by the Division of Human Resources.
- C. an employee fails to reduce their compensatory leave balance as contracted with his or her supervisor within the mandated time frame.

#### V. FORMS

[Form SP7.202181](#): Compensatory Leave Reduction Notice

[Form SP7.202182](#): Waiver Request